

असाधारण EXTRAORDINARY

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PART II-Section 2

प्राधिकार से प्रकाशित

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इस भाग में भिन्न पृष्ठ संख्या दी जाती हैं जिससे कि यह अलग संकलन के रूप में रखा जा सके। Separate paging is given to this Part in order that it may be filed as a separate compilation

# RAJYA SABHA

The following Bills were introduced in the Rajya Sabha on the 25th July, 1974:—

I

#### BILL No. XXIV of 1974

A Bill further to amend the Press Council Act, 1965.

BE it enacted by Parliament in the Twenty-fifth Year of the Republic of India as follows:—

1. This Act may be called the Press Council (Amendment) Act, 1974.

Short title.

24 of 1965.

2. In section 5 of the Press Council Act, 1965 (hereinafter referred to as the principal Act), in sub-section (1A),—

Amendment of section 5.

- (a) in the opening portion, for the words, figures and letters "the Chairman and other members holding office as such on the 30th day of September, 1973, shall continue to hold such office until the 30th day of June, 1974:", the words, figures and letters "the Chairman and other members holding office as such on the 29th day of June, 1974, shall continue to hold such office until the 31st day of December, 1974:" shall be substituted and shall be deemed to have been substituted with effect from the 28th day of June, 1974;
- (b) in the proviso, in clause (a), for the figures, letters and words "30th day of June, 1974", the figures, letters and words "31st day of

3 of 1974.

December, 1974' shall be substituted and shall be deemed to have been substituted with effect from the 28th day of June, 1974.

Amendment of section 22. 3. In section 22 of the principal Act, in sub-section (3), for the words "one session or in two successive sessions, and if before the expiry of the session in which it is so laid or the session immediately following", the words "in one session or in two or more successive session, and if before the expiry of the session immediately following the session or the successive sessions aforesaid" shall be substituted.

Repeal and saving.

- 4. (1) The Press Council (Amendment) Ordinance, 1974, is hereby repealed.
- (2) Notwithstanding such repeal, anything done or any action taken under the principal Act, as amended by the said Ordinance, shall be deemed to have been done or taken under the principal Act as amended by section 2 of this Act.

### STATEMENT OF OBJECTS AND REASONS

In pursuance of the recommendation of the Advisory Committee of Members of Parliament on the Press Council, the Press Council Act, 1965 was amended in 1970 to provide, inter alia, for the setting up of a Nominating Committee consisting of the Chairman of the Council of States, the Chief Justice of India and the Speaker of the House of the People for nominating the Chairman and other members of the Press Council in accordance with the procedure laid down in that Act. On the basis of the nominations made by this Committee, the Press Council was reconstituted on the 1st October, 1970. There were certain criticisms about the composition of the Press Council as so reconstituted. The members of the Nominating Committee felt that it would not be desirable to expose their respective offices to any possible criticism and that it would be advisable to save their offices from being drawn into political or other controversies. They, therefore, suggested that the Act should be amended to provide for a different machinery for the selection of the Chairman and members of the Press Council. Pending the devising of such machinery, the Press Council Act was amended last year to extend upto the 30th June, 1974 the term of office of the Chairman and members of the Press Council which was due to expire on the 30th September, 1973.

- 2. Later a Committee of Members of Parliament was set up for devising a new machinery for nominating the Chairman and other members of the Press Council. As the extended term of the Chairman and other members of the Press Council was due to expire on the 29th June, 1974 and as the Committee of Members of Parliament required some more time for formulating its proposals regarding the machinery for nominating the Chairman and other members, an Ordinance was promulgated on the 28th June, 1974 to further extend the term of office of the Chairman and other members up to the 31st December, 1974.
- 3. The Bill seeks to replace the Ordinance. Opportunity is being aaviled of to modify the formula for laying of rules contained in sub-section (3) of section 22 of the Press Council Act in accordance with the recommendations of the Committees on Subordinate Legislation.

NEW DELHI;
The 16th July, 1974.

I. K. GUJRAL.

### FINANCIAL MEMORANDUM

Clause 2 of the Bill seeks to amend sub-section (1A) of section 5 of the principal Act to extend the term of office of the Chairman and members of the Press Council by a period of six months up to the 31st December, 1974. A budget provision of Rs. 3,75,000 has already been made towards the Press Council of India for the year 1974-75. This includes the expenditure of Rs. 1,87,500 towards the Press Council during the said period of six months. This expenditure would have been incurred even if the same or some other Chairman or members had been re-appointed or appointed to the respective offices.

# Π

#### BILL No. XXV of 1974

A Bill to amend the Indian Iron and Steel Company (Taking Over of Management) Act, 1972

WHEREAS the management of the undertaking of the Indian Iron and Steel Company Limited had vested in the Central Government for a limited period of two years with effect from the 14th day of July, 1972;

And whereas it is expedient in the public interest that the management of the undertaking of the said Company should continue to vest in the Central Government for a further limited period beyond the said period of two years;

Be it enacted by Parliament in the Twenty-fifth Year of the Republic of India as follows:—

- 1. (1) This Act may be called the Indian Iron and Steel Company (Taking Over of Management) Amendment Act, 1974.
- (2) It shall be deemed to have come into force on the 28th day of June, 1974.

2. In section 2 of the Indian Iron and Steel Company (Taking over of Management) Act, 1972 (hereinafter referred to as the principal Act), after clause (a), the following clause shall be inserted, namely:—

Short title and commencement.

Amendment of section 2.

50 of 1972.

'(aa) "Board of management" means the Board of management constituted under section 4A;'.

Amendment of section 3.

- 3. In section 3 of the principal Act,-
- (i) in sub-section (1), for the words "two years", the words "five years" shall be substituted;
- (ii) to sub-section (1), the following proviso shall be added, namely:—

"Provided that if the Central Government is of opinion that it is expedient in the public interest that the management of the undertaking of the company should continue to vest in the Central Government after the expiry of the period of five years aforesaid, it may, from time to time, issue directions for such continuance for such further period, not exceeding two years at a time, as may be specified in the directions; so, however, that the total period of such continuance, including the period of five years aforesaid, shall not exceed ten years; and where any such direction is issued, a copy thereof shall be laid, as soon as may be, before both Houses of Parliament."

Insertion of new sections 4A, 4B, 4C, 4D and 4E, Board of management.

- 4. After section 4 of the principal Act, the following sections shall be inserted, namely:—
  - "4A. (1) There shall be a Board of management consisting of a Chairman and not less than four and not more than fourteen other members.
  - (2) The Chairman and the other members of the Board of management shall be appointed by the Central Government and shall hold office during the pleasure of that Government.
  - (3) Such of the members of the Board of management as may be specified by the Central Government as whole-time members may be placed in charge of such functions of management of the undertaking or the company as may be specified by that Government.
  - (4) The Chairman and the other members of the Board of management shall receive from the funds of the undertaking of the company such allowances as may be prescribed for attending any meeting of the Board of management.
  - 4B. (1) On the commencement of the Indian Iron and Steel Company (Taking Over of Management) Amendment Act, 1974, the Central Government may, by notification in the Official Gazette, direct that on and from such date as may be specified in the notification, the general superintendence, direction and management of the affairs and business of the undertaking of the company shall be carried on, for and on behalf of the Central Government, by the Board of management.
  - (2) Subject to the other provisions of this Act and to the direction, control and supervision of the Central Government, the Board of management shall be entitled, notwithstanding anything contained in the Companies Act, 1956, to exercise, in relation to the undertaking of the company, all the powers of the Board of Directors of a company (including powers to dispose of any properties or assets of the

1 of 1956.

Board of management to manage the undertaking of the Company. company), whether such powers are derived from the Companies Act, 1956, or from the memorandum or articles of association of the company or from any other source.

4C. (1) There shall be an Administrator, to be appointed by the Central Government, to assist the Board of management to manage the affairs of the undertaking of the company.

Appointment of an Administrator.

- (2) The Chairman or any other member of the Board of management may be appointed by the Central Government as the Administrator.
- (3) All officers and other persons employed in connection with the affairs of the undertaking of the company shall be subordinate to the Administrator.
- (4) The Administrator shall exercise, subject to the direction, control and supervision of the Board of management, such powers and discharge such functions of management in relation to the undertaking of the company as the Central Government may specify in this behalf.
- (5) The Administrator shall receive from the funds of the undertaking of the company such remuneration as the Central Government may fix.
- 4D. (1) The Custodian shall, on and from the date on which the management of the undertaking of the company is taken over by the Board of management, vacate his office as such; but nothing in this sub-section shall be construed as prohibiting his appointment as a member of the Board of management or as the Administrator.

Custodian to vacate office.

- (2) On the vacation of his office, the Custodian shall, where he is not appointed as the Administrator, forthwith deliver to the Administrator possession of all assets and properties of the company which are in his possession, custody and control on the date immediately preceding the date on which he vacates his office as the Custodian.
- 4E. (1) The Board of management shall meet for the transaction of its business at such time and place as it may think fit:

Meetings, etc., of the Board of management.

Provided that the Chairman may, whenever he thinks fit, and shall, upon the written requisition of not less than two members, call a special meeting.

(2) The quorum for a meeting of the Board of management shall be one-third of its total strength (any fraction contained in that one-third be rounded off as one) or three members, whichever is higher.

- (3) The Chairman, or in his absence, any member chosen by the members present from amongst themselves, shall preside at a meeting of the Board of management.
- (4) All questions which come up before any meeting of the Board of management shall be decided by a majority of votes of the members, present and voting, and in the case of an equality of votes, the Chairman, or, in his absence, the person presiding, shall have a second or casting vote.
- (5) All orders and decisions of the Board of management shall be authenticated by the signature of the Chairman or any other member authorised by the Board of management in this behalf and all other instruments issued by the undertaking of the company shall be authenticated with the signature of the Administrator or any other officer of the undertaking of the company authorised by the Board of management in this behalf.
  - (6) The Board of management shall regulate its own procedure.".

Omission of section 5. 5. Section 5 of the principal Act shall be omitted.

Amendment of section 7. 6. In section 7 of the principal Act, in sub-section (1), for the words "period of two years referred to in that sub-section", the words "period of five years referred to in that sub-section or the further period specified in any directions issued under the proviso thereto" shall be substituted.

Amendment of section 9. 7. In section 9 of the principal Act, for the word "Custodian", wherever it occurs, the words "Administrator, Board of management or Custodian" shall be substituted.

Amendment of section 12. 8. In section 12 of the principal Act, after the words "any notification,", the word "direction," shall be inserted.

Amendment of section 13. 9. In section 13 of the principal Act, for the word "Custodian", wherever it occurs, the words "Administrator, Board of management or Custodian" shall be substituted.

Amendament of section 16.

- 10. In section 16 of the principal Act, in sub-section (2), for clause (a), the following clause shall be substituted, namely:—
  - "(a) allowances which may be received by the Chairman and other members of the Board of management for attending any meeting of the Board of management;".

Repeal and saving. 11. (1) The Indian Iron and Steel Company (Taking Over of Management) Amendment Ordinance, 1974 is hereby repealed.

4 of 1974.

(2) Notwithstanding such repeal, anything done, any action taken, any order made or any direction issued under the principal Act as amended by the said Ordinance shall be deemed to have been done, taken, made or issued under the corresponding provisions of the principal Act as amended by this Act.

## STATEMENT OF OBJECTS AND REASONS

Through the Indian Iron and Steel Company (Taking Over of Management) Act, 1972, the management of Indian Iron and Steel Company Limited was taken over by the Central Government for a period of two years with effect from the 14th July, 1972, to secure the proper management of the Company and to subserve the public good in the context of the steel requirements of the country.

- 2. While substantial progress has been made to restructure and streamline the administrative set up of the Company and also to carry out comprehensive programme for rehabilitation of the various items of plant and equipment, it has not been possible to complete this, within the limited period of two years. It is considered essential that the technical health of the plant should be improved through completion of the Rehabilitation Scheme so that production in the plant is brought to its rated level. Apart from this, continuity of control over the management of the Company seems necessary to safeguard the substantial investment in the Company by various Public Sector Institutions and further investment of Rs. 43 crores on Plant Rehabilitation. In the circumstances, it has been considered necessary that the period of take over of the management of the Company by the Government should continue for a further period of three years with effect from the 14th July, 1974, with a power to extend the period, if considered necessary, for a further period of five years.
- 3. After the initial take over of the management of the Company, the management was carried on through a Custodian appointed by Government and assisted by an Advisory Board constituted by Government. This arrangement has not been found to be satisfactory and it is, therefore, proposed that during the extended period, a Board of management should be provided to run the management of the Company. There will be an Administrator who will work under the supervision and the guidance of the Board of management which itself will work under the supervision, direction and control of the Central Government.
- 4. Accordingly, the Bill seeks to extend the period of take over of the management of the Company by Government by a period of three years with effect from the 14th July, 1974, and further seeks to replace the Ordinance which was promulgated by the President for the purpose.

New Delhi; The 10th July, 1974. K. D. MALAVIYA,

B. N. BANERJEE.
Secretary-General.